

Beacon Hill Byline by Mary Rogeness

April 3, 2006

### **Medicaid news from Washington**

Last month I took a trip to Washington D.C. where, along with other Republican legislators, I participated at briefings concerning federal programs. We took advantage of the Boston tradition of shutting down business for Evacuation Day (otherwise known as St. Patrick's Day) to schedule the few days away from the State House.

Here are the highlights from one of those briefings, a presentation on the status and future of Medicaid. Stacie Maass, Executive Director of the U.S. Medicaid Commission, in Washington, D.C., was the ideal spokeswoman for her subject. The Commission has been charged with producing plans to carry Medicaid into the future without bankrupting the country.

Here are the reasons Medicaid is high on the priority list. The federal government spends more than \$356 billion a year providing Medicaid benefits to more than 53 million low-income individuals and families across our country. About 30 percent of this population incurs almost 70 percent of the program's costs. Those numbers are so huge that I had to hear them twice to begin to understand them. And each number is growing higher every day.

The commission's first duty was to find \$10 billion in Medicaid savings over the next five years. A report of these findings was submitted late last year, and many of the commission's recommendations have been adopted since then by Congress. Now the commission is working to identify more long-range savings and reforms by the end of 2006.

Listening to Ms. Maass brief us about the commission's work, we were impressed with the commission's findings and its planned reforms. There seems to be broad agreement that the Medicaid program is in need of serious change if it is to continue its mission of providing health care payments for the needy in the long term.

We were encouraged to hear that the federal government believes Massachusetts is doing a good job providing health care to the uninsured through state-run Medicaid programs. These programs are currently the subject of legislative debate here in Massachusetts, as we try to find ways to broaden availability and access to health care benefits for the uninsured while controlling costs and making an efficient use of federal resources. We also learned that national policymakers are watching the progress of our state's new bill, seeing it as a model for the nation.

Specifically, Massachusetts is trying to convince the federal government to approve an extension of a demonstration program which began in 1998, part of a comprehensive new plan to insure most of the state's residents. The new plan requires legislative approval and implementation by July 1, 2006 in order to receive \$385 million a year in new federal support of our Medicaid program – money that otherwise would have to come from instate sources to provide necessary care.

The Massachusetts House of Representatives is set to debate the health care bill this week, though that debate has been promised for more than a month. It is my hope that final details of the plan have been resolved between senate and house negotiators by now, and that the bill will be enacted by the publication date of this Byline.

It is a serious responsibility and an honor to hear first-hand that national health care leaders are watching a Massachusetts plan with such anticipation. I hope to be able to say at some year in the distant future that I was there when Massachusetts changed health care for the nation.